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PRESS RELEASE

The CIA deeply regrets that certain anonymous sources are attempting to criticize Stanley Sporkin on the basis of his fully authorized conduct as CIA General Counsel. Any suggestion that Mr. Sporkin has acted inappropriately as set forth in the Scripps Howard News Service story is without basis in fact. There has not been a Department of Justice or FBI investigation of Mr. Sporkin's conduct for the simple reason that the allegation that he tried to "cover up" an FBI investigation of a CIA employee is totally baseless.

CIA COUNSEL'S NOMINATION TO FEDERAL BENCH ENCOUNTERS PROBLEMS
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WASHINGTON -- An FBI investigation of a high-ranking CIA official fired last summer is endangering the nomination of CIA general counsel Stanley Sporkin to be a federal judge, sources said Wednesday.

The sources said that questions have been raised about whether Sporkin intervened on behalf of the fired CIA official, Charles Waterman, while the FBI was investigating him.

Waterman was fired last June by CIA Director William Casey for allegedly leaking highly classified intelligence information to "Middle East interests." Officials declined to say who received the secret data.

Sporkin, 53, made his reputation in Washington when he was chief of the enforcement division of the Securities and Exchange Commission in the 1970s.

Under Sporkin, the SEC ferreted out bribes by U.S. companies to foreign governments and later revealed illegal domestic payments. President Carter in 1977 named Sporkin to head the government's crackdown on illegal corporate political payments and to direct a task force aimed at preventing windfall profits and other violations of energy regulations.

Carter once considered naming Sporkin FBI director.

But along the way, Sporkin made powerful enemies in the corporate world.

In 1981, Reagan named Sporkin CIA general counsel at the request of CIA Director William Casey.

Reagan last year nominated Sporkin to be a U.S. District Court judge for the District of Columbia, but Sporkin's opponents kept the nomination bottled up in committee.

Reagan renominated him early this year, but until last week Justice Department officials had refused to give the Senate Judiciary Committee details of Sporkin's alleged actions on Waterman's behalf. This week the department sent the panel a report on the FBI investigation of the leak.

"Sporkin's nomination is in trouble until some questions are answered," said one Senate source.

An FBI official confirmed that questions were raised about Sporkin's role in the Waterman investigation, but declined to elaborate.

Waterman declined comment when asked why he was fired and what role Sporkin played in defending him. Sporkin also declined comment.

"It's a can of worms," said a Justice Department official when asked about the FBI investigation and Sporkin's role. "Nobody's going to talk about it."

The Judiciary Committee, which would vote on whether Sporkin should be confirmed as a judge, reportedly is seeking information to determine whether he tried to "cover up" the FBI investigation of Waterman.

Sporkin's defenders say he only advised Waterman about hiring a lawyer to defend himself when the FBI began its investigation. "The guy is totally innocent," said one lawyer. "And he's a good man who would make a good judge."

(John Bennett covers the Justice Department for Scripps Howard News Service.)